

# Metropolitan Transportation Commission Programming and Allocations Committee

April 11, 2007

Item Number 3a

## Regional Measure 2: Program Monitoring Update

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**Subject:** Regional Measure 2 Program Update

**Background:** Last September staff provided an update on the capital and operating projects in the Regional Measure 2 program. This month, staff is presenting a semi-annual update on the capital program and the annual update on the FY 2005-06 operating program.

### Capital Program:

To date, MTC has approved \$373 million in capital allocations. General program events over the last six months include:

- Approval of an amendment to the RM2 Policies and Procedures
- An infusion of Proposition 1B- CMIA funding was approved for some RM2 projects; and
- Significant cost escalations have driven updated cost estimates for some of the larger RM2 projects.

With respect to project progress, we are beginning to see the completion of some projects that were allocated RM2 funds in 2004.

### Operating Program:

In FY 2005-06, \$24.7 million of RM2 operating assistance was allocated to 8 projects. These operating projects are subject to MTC-adopted performance standards; however, these do not have to be met until the 3<sup>rd</sup> year of service. The operating projects are monitored on an annual basis and the FY 2005-06 analysis is being presented this month.

The presentation slides are attached for information.

**Issues:**

- 1) Several RM2 projects have forecast significant cost escalations in recent months including two East Bay BART extensions and the Dumbarton rail project.
- 2) Actual reimbursements to project sponsors continue to lag behind the schedule submitted when RM2 allocations were made.

**Recommendation:** Information.

**Attachments:** Presentation Slides

# Regional Measure 2: Program Update

April 11, 2007

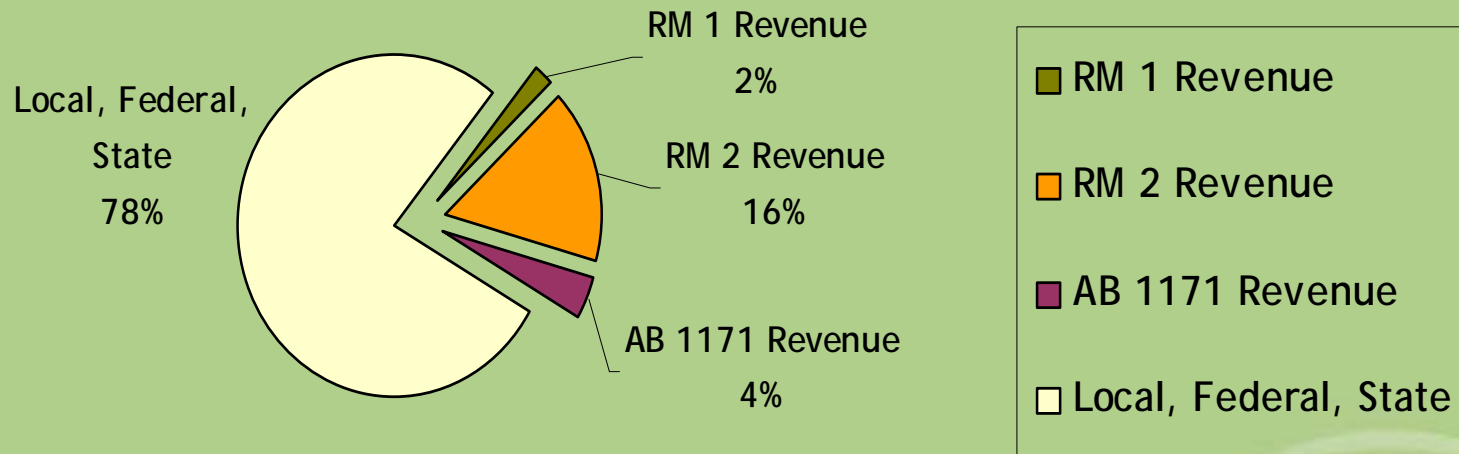
Programming and Allocations



METROPOLITAN TRANSPORTATION COMMISSION

# Program Overview

- Toll Revenues (RM1, AB 1171, RM2) fund 22% of the overall cost of RM2 projects (estimated at \$10 billion).



- Ongoing Monitoring of:
  - Reimbursements rates on allocations
  - Project funding plans
  - Cost increases during bid process
  - Scope modifications

# Revenue Update

- RM2 is estimated to generate \$125 million annually.

Revenues	
Actual FY 2004-05	\$ 107 million*
Actual FY 2005-06	\$ 121 million
Projected FY 2006-07	\$ 122 million
Total Revenues	\$ 350 million
Reimbursements through March 2007	\$ 156 million
Balance	\$ 194 million

FY 2004-05  
revenues are  
lower because:

- 1) Reimbursement to counties for ballot measure administration costs, and
- 2) 4-month discount for FasTrak customers.

# Program Update

- **FY 2005-06 RM2 Audit**
  - 1) Resulted in some changes to the Policies and Procedures, approved in March 2007
  - 2) Goal - focus efforts on substantive project and financial issues
- **Replacement Funding Provisions**
  - AB 1407 allows reprogramming of funds when alternative funds are identified.
  - Upcoming public hearing in June will propose project funding changes

# CAPITAL PROGRAM



# Capital Program: Allocation Summary

- 36 Projects in Statute
- Allocations through March 2007: \$373 million to 28 projects
- Goal is to fund projects through construction phase, but need to balance this with requests of RM2 as early funding source

Project Phase	No. of Allocations	Amount	
		(\$ millions)	Percentage
PA/ED or Study	43	\$ 113	30%
Design	16	\$ 32	9%
Right-of-way	7	\$ 40	11%
Construction	35	\$ 188	50%
Total	101	\$ 373	100%

# Project Milestones: Completed Activities

## Environmental Clearance

- WTA South San Francisco Ferry Terminal
- I-80 HOV lane (March 2007)

## Construction Completion

- AC Transit Express Bus Service:  
Delivery of 10 Van Hool Articulated buses for service over Dumbarton, San Mateo, and Bay Bridges.
- BART Transbay Tube Seismic Strengthening Project  
Completion of Demonstration Project in Port of Oakland area

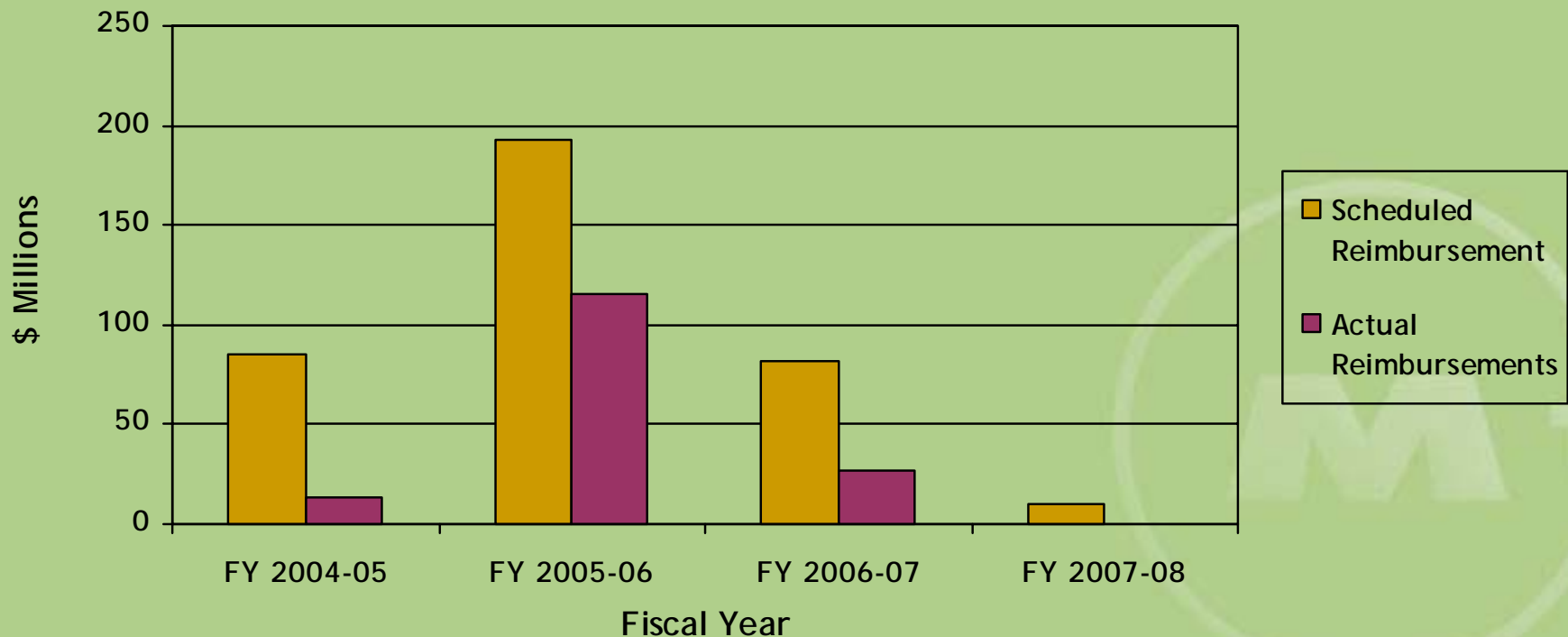


# Project Outlook Through June 2007

Project	Activity
MUNI Historic Vehicle Rehabilitation	Complete retrofit 11 streetcars Begin retrofit 4 double-end streetcars
I-80 HOV Lane in Solano County	Complete environmental documents Commence construction on advanced bridge widening contract
City CarShare	Begin last phase of RM2 commitment work
AC Transit Telegraph/ International Blvd. Enhanced Bus	Completion of Signalization, service ready Delivery of 15 new buses Opening of Uptown Transit Center in Downtown Oakland

# Capital Program: Reimbursements to Sponsors

- Reimbursements
  - Through March 2007: \$156 million (42% of allocated funds)
- Over 50% of the reimbursements are for 2 projects in FY 05-06:
  - Transbay Terminal Right-of-Way purchase (\$29 million)
  - Benicia-Martinez Bridge (\$50 million)



# Top 5 Projects with Slow Reimbursement

- Projects highlighted based on the following:
  - 1) Over \$1 million
  - 2) Less than 10% of allocation reimbursed
  - 3) More than 10 months since allocation was approved

Project	Allocations	Total Reimbursed	Percentage Reimb.	Months Since Alloc.
Real-Time (Various Sponsors)	\$16 million	\$ 0	0%	13
AC Transit BRT-15 Vehicles	\$8.2 million	\$ 709,000	0%	27
BART to Warm Springs: Utility Relocation	\$6 million	\$ 145,00	0.1%	23
I-80 HOV Lane in CC Co.	\$5.3 million	\$ 0	0%	14
Solano Co. Express Bus	\$1.4 million	\$ 0	0%	18

# Prop. 1B - CMIA Impact

- Increased demand for construction and engineering resources; may drive up cost for construction contracts
- CMIA funding may only be used for construction
- CMIA projects must be under construction by 2012
- RM2 funds needed for pre-construction phases in some cases
- Some RM2 Projects may be constructed earlier

# RM2 Corridors

## Awarded CMIA Funds

Project	Funding Approved (millions \$)
I-580 EB/WB HOV lanes	\$ 242.0
Caldecott Tunnel	\$ 175.0
State Route 4	\$ 85.0
I-80/I-680/SR 12 Interchange and I-80 HOV Extension	\$ 56.2
US-101/I-580 Greenbrae Interchange	\$ 20.0
<b>Total:</b>	<b>\$578.2</b>

# Projects Facing Critical Decision Points

1. BART Warm Springs Extension
2. Dumbarton Rail
3. eBART
4. Water Transit Authority
5. I-580 Corridor Improvements



# Project Focus: BART Warm Springs Extension

## Milestones:

- Record of Decision in October 2006
- Fremont Grade Separation Contract Awarded

## Status:

- Cost increase due to escalation
- Moving forward on design of subway box under Lake Elizabeth
- Evaluating early construction of subway segment (~\$250M)

## Identified Risks:

- Cash flow and funding gap
- Overall project implementation tied to Santa Clara extension
- Early delivery of subway may require use of bridge tolls funds; doesn't result in usable segment, but benefit is reduces impact of escalation costs

## Funding

\$ 211M (Meas. B)  
\$ 100M (TCRP)  
\$ 145M (SFO Ops)  
\$ 85M (RM2)  
\$ 84M (RM1)  
\$ 69M (STIP)  
\$ 694M (Total)

# Project Focus: Dumbarton Rail

## Milestones:

- Segment within Union City's redevelopment project is environmentally cleared

## Status:

- Three alternatives being studied in the EIR/EIS
- Project cost has increased from \$300M to \$595M
- Project phasing being considered

## Identified Risks:

- Funding Gap: ~\$295M
- UPRR Right-of-Way needed; UPRR seeking purchase of entire Oakland Subdivision
- Proposed Phasing of project

### Funding

\$ 135M (RM2)

\$ 55M (State)

\$ 110M (Local)

\$ 300M (Total)



# Project Focus: eBART

## Status:

- Cost increase from \$390M to \$858M
- ePPAC approved project phasing,  
Phase 1 to Antioch/ Oakley ~\$600M + ROW
- Alignment being re-evaluated:
  - Mococo (UPRR Right-of-Way)
  - SR 4 median

## Identified Risks:

- Overall Funding Gap: ~\$160M
- Uncertain ROW negotiations with UPRR/ Potential SR 4 project delays
- Proposed phasing of project

### Funding

\$ 211M (RM2)

\$ 52M (RM1)

\$ 115M (AB1171)

\$ 156M (Local)

\$ 18M (State)

\$ 437M (Total)

# Project Focus: Water Transit Authority

## Milestones:

- Preliminary Ridership and Wake Wash Study Complete
- Environmental Clearance on South San Francisco Terminal

**Funding**  
**(System-wide)**

**\$ 84 m (RM2)**

## Status:

- Studies for Terminals at Berkeley/Albany, Hercules, Richmond, Antioch ongoing
- 2 Spare vessels under construction

## Identified Risks:

- Ferry operational plan to be determined
- Tight schedule for permitting and dredging work at South San Francisco Terminal
- Some Routes and Terminal improvements beyond South San Francisco not fully funded.

# Project Focus: Water Transit Authority

Project	Funding Plan	Schedule
2 Spare Vessels <i>(Fully funded)</i>	\$17M RM2	Delivery in Sept. and Dec. 2008
South San Francisco <i>(Fully funded)</i>	Terminal: \$3.5M RM2, \$29.5M Other 2 Vessels: \$12M RM2, \$5M Other Total Cost: \$50M	Estimated Service Initiation in December 2008. Vessels delivered mid-2009
Berkeley/ Albany <i>(Under Env. Study, cost not confirmed)</i>	Terminal: \$3.8M RM2, \$15M Other 2 Vessels: \$12M RM2, \$5M Other Total Cost: \$35M	Estimated Service Initiation and vessel delivery in June 2010.
Berthing / Operating Facilities	\$20M RM2 <i>(Unknown funding gap)</i>	Completion in 2010
Oakland / Alameda	2 Vessels: \$12M RM2	Scope and Schedule to be determined

# Project Focus: I-580 Corridor

## Milestones:

- Completed Soundwall environmental document
- Began construction of Transportation Management Elements
- Secured \$242M in CMIA funds

## Identified Risks:

- Approval of Eastbound HOV environmental document delayed
- Cost only includes WB direct connector to BART; EB beyond project limits
- Cost increased due to expanded scope and increased contingencies

### Funding

\$ 65 m (RM2)

\$ 16 m (RM1)

\$ 95 m (1171)

\$ 25 m (TCRP)

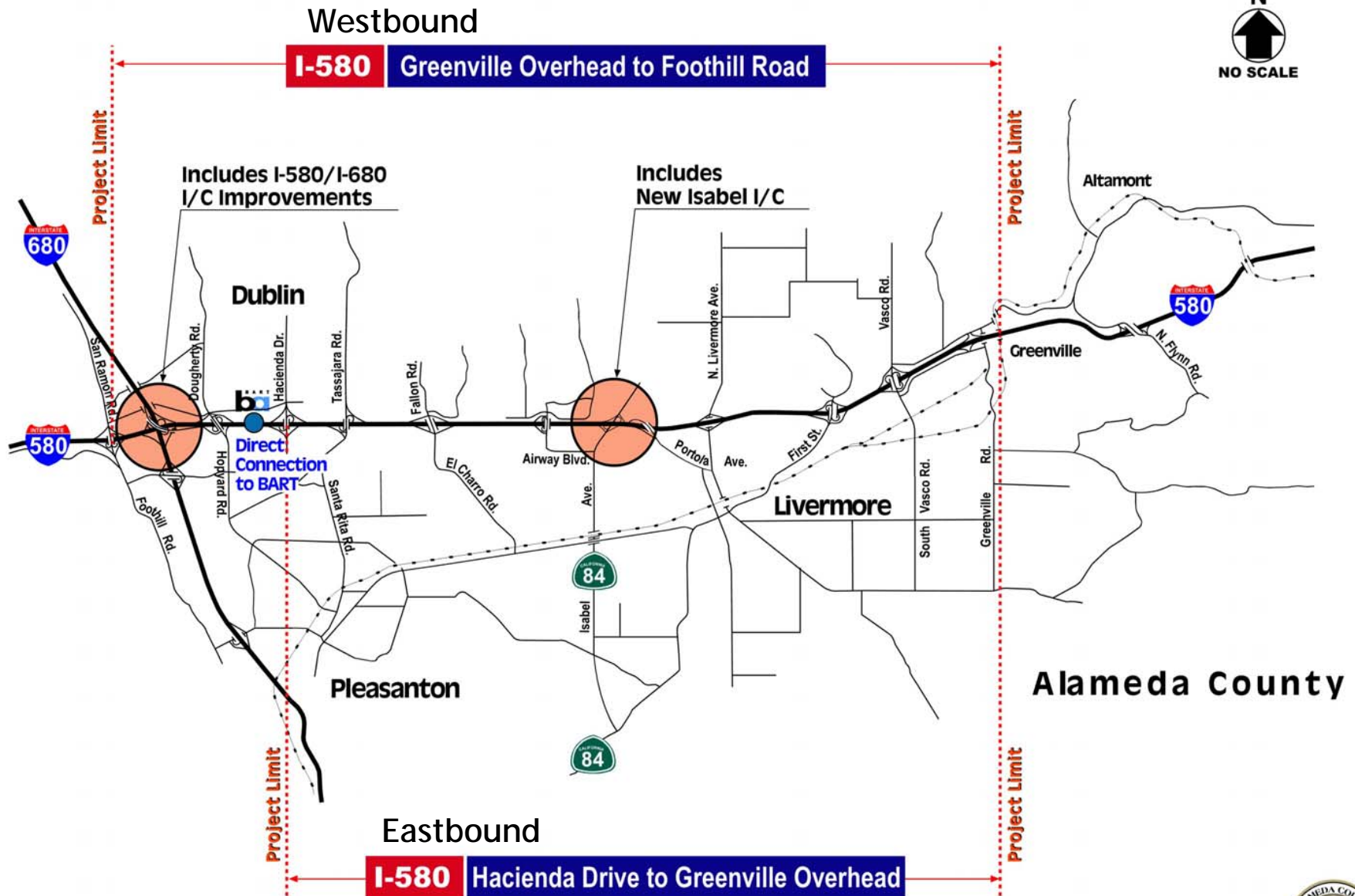
\$ 242 m (CMIA)

\$ 28 m (Local)

\$ 471 m (Total)

Includes funding for Isabel Interchange, East- and Westbound HOV projects, and right-of-way preservation

# I-580 Rapid Transit Corridor



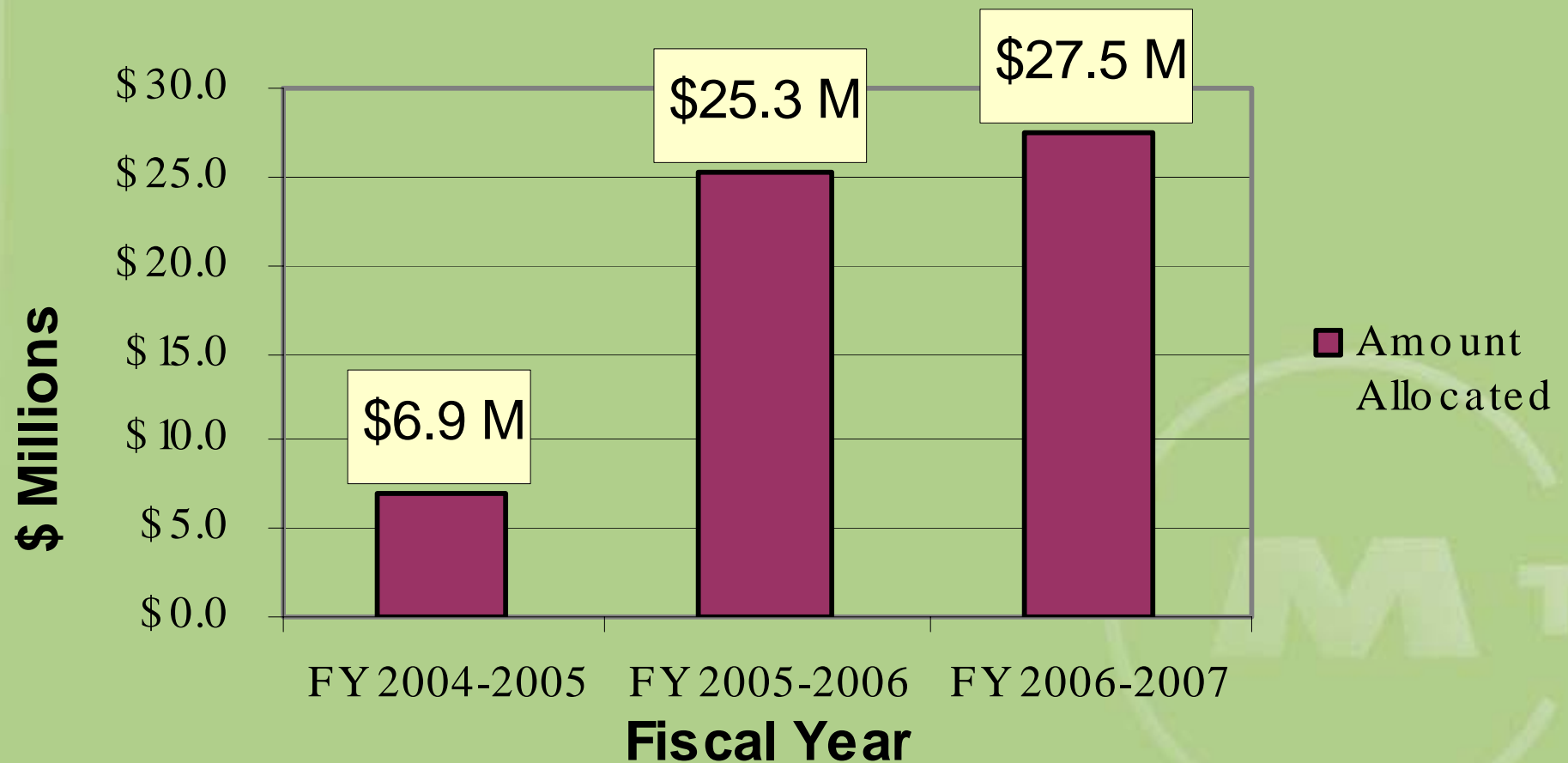
# OPERATING PROGRAM



# RM2 Operating Program: Overview

- Operating support for 14 projects
- Allocations by Fiscal Year
- 1.5% annual escalation for trunkline projects; final year of escalation projected for FY 2010
- Program cap of 38% of RM2 Revenues
- Trunkline projects are required to meet MTC-adopted performance standards

# RM2 Operating Program: Annual Allocations





# FY 2006-07 Operating Support

- Allocations totaling \$27.5 million were made to 8 of the 14 RM2 operating projects
- This amount is about 57% of the full annual amount authorized in RM2
- The 6 projects not receiving allocations require longer lead times for implementation
  - TransLink® initial operating support not required in FY 2006-07
  - 3 ferry routes: Alameda/Oakland/Harbor Bay, Berkeley/Albany, and South San Francisco
  - Napa Express Bus
  - Dumbarton Rail
- Assessment of the FY 2006-07 operating projects will be completed next fall

# RM2 Operating Program: Project List - Trunkline

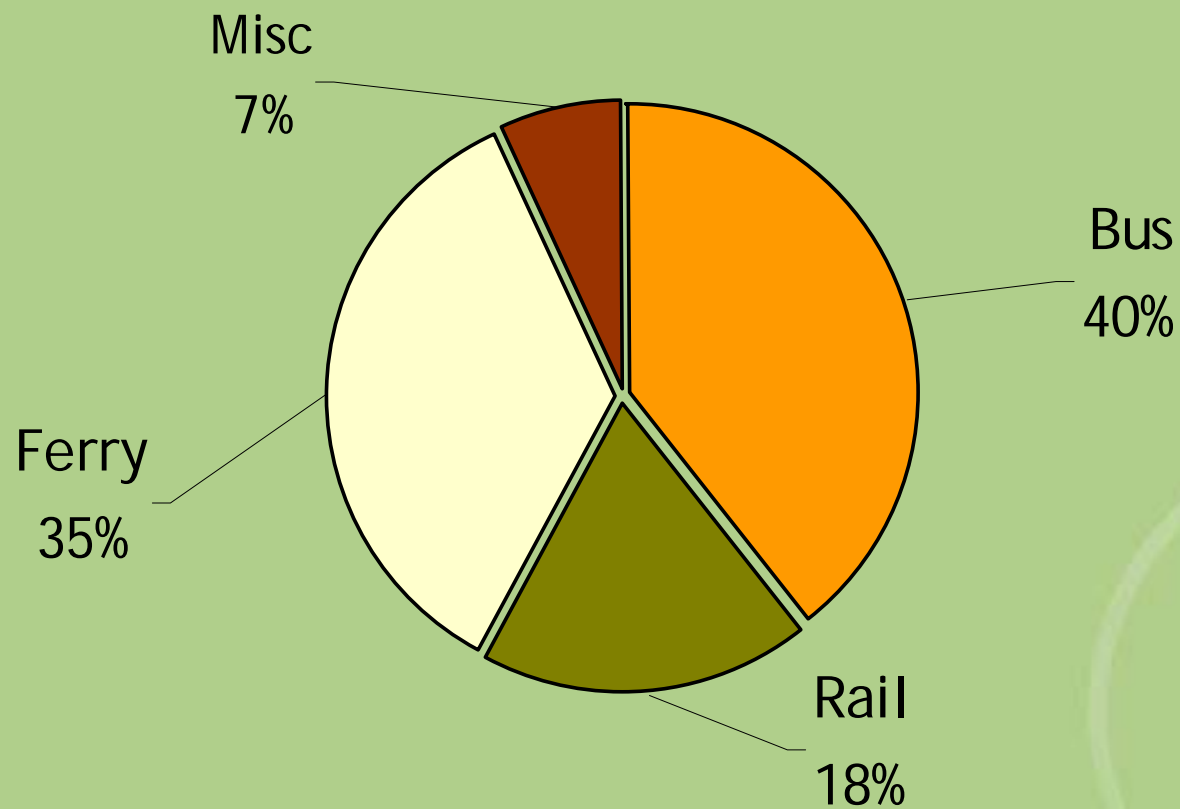
Projects	Mode	Annual Amount (\$ in Millions) 1st Year of Funding	Escalation Rate
Dumbarton Rail	Rail	\$5.5	1.5%
WTA: Alameda/ Oakland/ Harbor Bay	Ferry	\$6.4	1.5%
WTA: Albany/ Berkeley - S.F.	Ferry	\$3.2	1.5%
WTA: South S.F. - S.F.	Ferry	\$3.0	1.5%
Vallejo Ferry	Ferry	\$2.7	1.5%
Golden Gate Express Bus Service over the Richmond Bridge (Route 40)	Bus	\$2.1	1.5%
Napa Vine service terminating at Vallejo Intermodal terminal	Bus	\$0.39	1.5%
Regional Express Bus South Pool (Bay Bridge, San Mateo, and Dumbarton)	Bus	\$6.5	1.5%
Regional Express Bus North Pool (Carquinez, and Benicia Bridge)	Bus	\$3.4	1.5%
Owl Bus Service on BART Corridor	Bus	\$1.8	1.5%
<div></div> Project still in planning phase			

# RM2 Operating Program - Project List - Non Trunkline

Projects	Mode	Annual Amount (\$ in Millions) 1st Year of Funding	Escalation Rate
WTA System	Misc	\$3.0	0%
MUNI 3rd street	Rail	\$2.5	0%
TransLink® *	Misc	--	0%
AC Transit Enhanced Bus Service: International Blvd and Telegraph Ave.	Bus	\$3.0	0%

\* TransLink® shall receive a total of \$20 million in operating funds between 2005 and 2007

# Operating Projects by Mode



# Performance Standards

- Farebox ratio, stratified by mode and type of service, is the primary standard
- 2<sup>nd</sup> standard requires positive trend in service productivity (passengers/hr.)
- Standards must be achieved by 3<sup>rd</sup> year of service

Farebox Standard

<i>Service Type</i>	Ferry	Rail	Bus
Peak	40%	35%	30%
All Day	30%	25%	20%
Owl	n/a	n/a	10%

# FY 2005-06 Operating Support

Legislative Project #	Project	Allocated
1	Golden Gate Bus Service - Richmond Bridge	\$2.1 million
3	Express Bus - North Pool	\$2.8 million
4	Express Bus - South Pool & Marketing	\$4.9 million
9	Vallejo Ferry	\$2.7 million
10	Owl Service - BART Corridors	\$1.5 million
11	MUNI Metro East	\$1.9 million
12	AC Transit Enhanced Bus	\$2.9 million
13	TransLink®	\$3.5 million
14	WTA System	\$3.0 million
	<b>TOTAL:</b>	<b>\$25.3 million</b>

# Performance Results FY 2005-06 (1)

	Farebox Target	Achieved FY 04/05	Achieved FY 05/06	Year Must Achieve
GGT Richmond Bridge (rte 40)	20%	19.4%	19.6%	FY 06/07
GGT Route 72 - Peak	30%	-	56.1%	FY 07/08
GGT Route 75 - Express	30%	-	15.7%	FY 07/08
Vallejo Express Bus (I-80 cur.)	30%	Not Avail.	50.0%*	FY 06/07
Vallejo Ferry	30%	Not Avail.	44.4%*	FY 06/07
WestCat Martinez Express	20%	22.8%	24.2%	FY 06/07
WestCat Transbay (Lynx)	30%	-	33.1%	FY 05/06**
AC Enhanced service - Berkeley/Oakland/ San Leandro Corridor	20%	-	20.3%	FY 07/08
ECCTA Route 300 (Brentwood to BART)	20%	-	11.4%	FY 07/08

\* Ratio Values for Vallejo still being verified

\*\* WestCat LYNX Service required to meet standard during first operating year

# Performance Results FY 2005-06 (2)

	Farebox Target	Achieved FY 04/05	Achieved FY 05/06	Year Must Achieve
AC TRANSBAY SERVICES				
Route J	30%	-	10.7%	FY 07/08
Route LA	20%	19.6%	29.6%	FY 06/07
Route M	20%	-	19.1%	FY 07/08
Route MA	30%	-	12.1%	FY 07/08
Route U	30%	-	37.1%	FY 07/08
Route NL	20%	-	36.7%	FY 07/08
Commuter Augmentation Routes	30%	-	10.1%	FY 07/08



# Performance Results FY 2005-06 (3)

	Farebox Target	Achieved FY 05/06	Year Must Achieve
<b>OWL SERVICES</b>			
AC Owl (rte 800/801)	10%	8.4%	FY 07/08
MUNI Owl (rte 14 Mission)	10%	14.4%	FY 07/08
Samtrans (rte 397)	10%	18.2%	FY 07/08
LAVTA (rte 810)	10%	2.4%	FY 07/08
CCCTA (rte 820)	10%	0.9%	FY 07/08

# Update on Owl Service

- Owl Service network formally launched in March, 2006
- RM2 provides both ongoing operating support and initial marketing support
- Routes in urban core perform better
- Convening Owl working group to explore service modifications to improve performance of suburban routes
- May need to consider elimination of unproductive segments or routes

# Contact Information

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